

# **New Jersey Public Broadcasting Authority Meeting of the Members of the Board**

February 3, 2015 at 2:00 p.m.

Department of the Treasury  
Conference Room and by Conference Call  
New Jersey State House  
125 W. State Street  
Trenton, New Jersey 08608

## **MINUTES**

Andrew Sidamon-Eristoff, Chair, Presiding

Minutes of the meeting of the New Jersey Public Broadcasting Authority (“NJPBA” or “Authority”) held at the Conference Room of the Department of the Treasury at the New Jersey State House, 125 W. State Street, Trenton, New Jersey, 08608, on February 3, 2015 at 2:00p.m.

### **1. CALL TO ORDER, OPEN PUBLIC MEETINGS ACT STATEMENT AND ROLL CALL**

Chair of the NJPBA Board, Mr. Andrew Sidamon-Eristoff, called the meeting to order. Chair Sidamon-Eristoff read the Open Public Meetings Act statement as follows: “In accordance with the provisions of the Open Public Meetings Act of the State of New Jersey, notice of this meeting has been filed with the Office of the Secretary of State, has been posted on the appropriate bulletin boards maintained for such purposes by the Authority, and distributed by press release to two daily newspapers in New Jersey. Notice was made in advance of this meeting.”

Chair Sidamon-Eristoff then requested a roll call. NJPBA Members present and participating at the meeting were Chair Sidamon-Eristoff; Vice Chair Anthony Della Pelle; and John Inglesino. Also present and participating were John Blair, NJPBA Executive Director; Kavin K. Mistry, Assistant Attorney General; William Hanna, Deputy Attorney General; Debra Falk, Director of Communications, Public Media NJ, Inc.; Rick Williams, NJPBA Director of Engineering; Steven Petrecca, Assistant State Treasurer; Joseph Perone, Director of Communications, Department of the Treasury; Michael Collins, Governor’s Authorities Unit; and Nichol R. Gee, NJPBA Office Manager (*taking minutes*).

## **2. RESOLUTION APPROVING THE MINUTES OF THE SEPTEMBER 9, 2014 MEETING**

Chair Sidamon-Eristoff asked for a motion to approve a Resolution Approving the Minutes of the September 9, 2014 Meeting. Vice Chair Della Pelle made a motion to approve the resolution. Mr. Inglesino seconded the motion. Chair Sidamon-Eristoff asked for a roll call vote. The motion to approve the Resolution Approving the Minutes of the September 9, 2014 Meeting was voted upon and approved unanimously.

## **3. REPORT FROM PUBLIC MEDIA NJ, INC.**

Chair Sidamon-Eristoff asked Ms. Debra Falk, Director of Communications, Public Media NJ, Inc. ("PMNJ"), to present her report. Ms. Falk discussed PMNJ's move to Newark, New Jersey, anticipated for the end of March or beginning of April. She said the Agnes Varis Estate would be the named sponsor for the new studio.

Ms. Falk reviewed recent local, regional, and national programming produced by NJTV and discussed planned changes for some of NJTV's ongoing programming. Ratings for *NJTV News* were up 13%, and overall viewership for the station was steady with approximately 2.2 million people tuning in each month. Web viewership was up 23% with over one million views of segments or complete programs on YouTube. The NJTV website had 54,000 monthly visitors, and NJTV had 10,000 Facebook fans and 15,000 Twitter followers.

Ms. Falk discussed NJTV's advertising campaigns and barter agreements with regional print, web, and radio entities for promotion and content sharing. She reviewed recent cultivation events and stated that the NJTV Gala was tentatively scheduled for April 15, 2015, pending talent agreements.

Chair Sidamon-Eristoff asked about staff expectations regarding the move to Newark. Ms. Falk stated that the staff seemed invigorated by the move and opportunities the new space would offer, with more control over the production facilities and a community room that would be used for development, outreach and education.

Chair Sidamon-Eristoff asked for an update on membership and fundraising. Ms. Falk stated that membership was holding steady at approximately 18,000 members, with an anticipated increase during the next campaign in March. She stated that the naming sponsorship for the new studio was \$2 million, and that a brain trust of representatives from several departments was meeting monthly to strategize development. Chair Sidamon-Eristoff requested an update on development activities at the next meeting. Ms. Falk agreed and said that information could also be provided before the next meeting if necessary upon request.

#### **4. REPORT FROM THE AUDIT COMMITTEE**

Chair Sidamon-Eristoff asked Vice Chair Della Pelle, Chair of the Audit Committee, to present a report on the Fiscal Year 2014 Audit. Vice Chair Della Pelle stated that the Audit Committee had met with the auditors and referred the Members to the Audit Report in their meeting packets. The audit was clean and unmodified. He referred to the financial statements on pages eight and nine of the report and explained the net position restatement, stating that certain prior year funds which were recorded as an expense should have remained on the books as an asset, and the balances had to be adjusted accordingly per the auditor's note on page 14. The auditor was pleased with the outcome of the audit and appreciated the hard work of the staff.

Vice Chair Della Pelle reviewed two areas the auditor recommended for follow up in a separate management letter. The first item had to do with reimbursable expense income resulting from the sale of the radio licenses. He said the staff needed to continue making adjustments, although the item was viewed as nonmaterial by the auditor. The second item had to do with tower rental income, as some of the tower contracts had expired without renegotiation of the terms. It was recommended that this be reviewed to ensure the agreements reflect market value for the rents in place.

Vice Chair Della Pelle stated that the Audit Committee convened and reviewed the information and recommended that the Board accept the Fiscal Year 2014 Audit Report.

#### **5. RESOLUTION OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY ACCEPTING THE FISCAL YEAR 2014 AUDIT REPORT**

##### **RESOLUTION OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY ACCEPTING THE FISCAL YEAR 2014 AUDIT REPORT**

**WHEREAS**, the New Jersey Public Broadcasting Authority (the "Authority") was created pursuant to the New Jersey Public Broadcasting Authority Act of 1968, L. 1968, c. 405, as amended (the "Original Act"), including by the New Jersey Public Broadcasting System Transfer Act, L. 2010, c. 104 (the "Transfer Act," and together with the Original Act, the "Act"); and

**WHEREAS**, the Audit Committee established pursuant to Article IX, Section 1 of the By-Laws and in accordance with the requirements of Executive Order No. 122 (McGreevey 2004) ("EO 122") has reviewed the Independent Auditor Report from the firm of Mercadien, P.C., the Independent Auditor to the Authority, for Fiscal Year 2014 ("Fiscal Year 2014 Audit Report"); and

**WHEREAS**, the Audit Committee recommends acceptance of the Fiscal Year 2014 Audit Report by the Authority; and

**WHEREAS**, the Authority desires to accept the Fiscal Year 2014 Audit Report.

**NOW, THEREFORE, BE IT RESOLVED BY THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY AS FOLLOWS:**

1. The Authority hereby accepts the Fiscal Year 2014 Audit Report from the firm of Mercadien, P.C., the Independent Auditor to the Authority.
2. This resolution shall take effect immediately in accordance with the Act.

Chair Sidamon-Eristoff made a motion to approve the Resolution of the New Jersey Public Broadcasting Authority Accepting the Fiscal Year 2014 Audit Report. Mr. Inglesino seconded the motion. Chair Sidamon-Eristoff asked for a roll call vote. The motion to approve the Resolution of the New Jersey Public Broadcasting Authority Accepting the Fiscal Year 2014 Audit Report was voted upon and approved unanimously.

**7. REPORT FROM THE EXECUTIVE DIRECTOR**

Chair Sidamon-Eristoff asked Executive Director John Blair to report to the Board. Mr. Blair stated that as a result of legal challenges, the Federal Communications Commission ("FCC") announced a six to nine month delay in the impending spectrum auction, which could be extended further depending on the outcome of those challenges. Mr. Blair said he anticipated the auction would begin in the late summer or early fall, and he would provide more information to the Board as the auction approached. He said the NJPBA staff was monitoring the situation closely and studying the Authority's options.

Mr. Blair stated that 2015 was a renewal year for the NJPBA FCC licenses. He said it was primarily a routine, administrative process which staff was working on with consultation from the Washington communications law firm Gray Miller Persh, LLP and oversight from Assistant Attorney General Kavin Mistry. Mr. Blair stated that the application process was complete, and there were follow up steps that would be filed with the FCC this month, with the expectation that the licenses would be renewed by the FCC in June 2015. Mr. Blair stated there was always a possibility that an outside party could raise objections to a license renewal, however that seems unlikely.

Mr. Blair updated the Board on the NJN Archives project. In December, the NJPBA received original and digitized copies of approximately 3,400 tapes that were sent to a contractor for digital preservation through a project funded by the Corporation for Public Broadcasting. The next step was to work with WNET and PMNJ on a grant proposal that would allow for additional digitization, consultation and manpower to begin to curate and make use of the digital files.

**8. OTHER BUSINESS (*if any*)**

Chair Sidamon-Eristoff asked if there was any other business to discuss. No further discussion occurred.

**9. PUBLIC COMMENTS**

Chair Sidamon-Eristoff asked if any members of the public wanted to make a comment. No members of the public spoke before the Board.

**10. ADJOURNMENT**

Chair Sidamon-Eristoff thanked Vice Chair Della Pelle for presiding over the Audit Committee with good humor, diligence and patience. Mr. Inglesino concurred.

Chair Sidamon-Eristoff thanked everyone for their participation in the meeting and asked for a motion to adjourn. Vice Chair Della Pelle made a motion to adjourn the meeting. Mr. Inglesino seconded the motion. The motion was voted upon and approved unanimously. The meeting was adjourned at 2:25p.m.